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DE RUEHRL #1312/01 1841555
ZNY SSSSS ZZH
P 031555Z JUL 07
FM AMEMBASSY BERLIN
TO RUEHC/SECSTATE WASHDC PRIORITY 8699
INFO RUEHTC/AMEMBASSY THE HAGUE PRIORITY 1118
RUEHIN/AIT TAIPEI PRIORITY 0099

S E C R E T BERLIN 001312

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STATE FOR ISN/MTR AND EUR/AGS
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E.O. 12958: DECL: 07/03/2032
TAGS: [PARM](#) [MTCRE](#) [PREL](#) [ETTC](#) [GM](#) [TW](#) [LN](#) [IR](#)
SUBJECT: GERMAN PROSECUTORS INVESTIGATING DELIVERY OF
GERMAN ENGINES TO IRANIAN UAV PROGRAM

REF: A. STATE 21966
[1](#)B. 06 BERLIN 3380
[1](#)C. 06 STATE 190812

Classified By: Global Affairs Counselor Donald R. Shemanski, for reasons 1.4 (b), (c), and (d).

[1](#)1. (S) German MFA Export Control Division Desk Officer Andreas Kauke passed the following German-language non-paper in response to the USG non-paper contained in ref A to Global Affairs officer June 19. Kauke said this case was difficult because the German firm Limbach Flugmotoren GmbH & Co shipped the engines to the Dutch firm Aviation Services International (ASI) in the Netherlands, from where they were then shipped to Iran. The German firm claimed it did not need a license to export the engines because the export was to a firm (ASI) in another EU country. Kauke said German Customs authorities notified Limbach that because these engines could be diverted to military programs in Iran, Limbach needed to apply for an export license, even if shipped to another EU country. Limbach representatives said they had no knowledge that Iran was the true end user, according to Kauke. Nevertheless, German authorities, after beginning an investigation of Limbach's shipment of 34 engines to Iran between March 2005 and October 2006, believed that Limbach was aware that Iran was the true end user and therefore initiated legal proceedings against the firm for violating the Foreign Trade and Payments Act. The violation in this case is that Limbach harmed Germany's external foreign relations by shipping controlled technology to an end user that could use it for military or WMD-related purposes. The German federal investigation is still continuing, Kauke noted.

[1](#)2. (S) Kauke also said the German Federal Economic and Export Licensing Agency (BAFA) checked on the role that the Taiwan firm, Prime Kit Enterprises, may have played in the delivery of Limbach engines to end users in Iran or other parts of Asia. BAFA could find no links between Prime Kit and the delivery of Limbach engines to Iran; however, the Dutch firm ASI did ship four Limbach-produced engines to Taiwan firms between March 2005 and October 2006. ASI also shipped a Limbach-produced engine to China Aerospace Science and Technology Corporation (CASC) in September 2006. BAFA is still investigating a connection between Prime Kit and ASI's shipment of Limbach engines to the Taiwan firms and CASC, but has found none so far. German Customs has been alerted to intercept any shipments of dual-use technology to Prime Kit, Kauke said. The German Government will inform the USG of additional results of its investigations, according to Kauke.

[1](#)3. (S) Begin unofficial embassy translation of text of German-language non-paper:

Concerning the non-papers from November 22, 2006, (ref C)

given to us November 27, 2006, and from February 22, 2007, (ref A) given to us February 23, 2007, and my oral response to the Embassy on December 4, 2006, and February 23, 2007, about Iranian procurement attempts of engines from the firm Limbach Flugmotoren GmbH & Co., Koenigswinter, for the installation into UAV's, we take the liberty to bring the following information to the attention of U.S. authorities:

-- We thank you for the evidence related to the Iranian procurement attempt of engines from the German firm Limbach Flugmotoren GmbH & Co.

-- The investigations into the matter thus far have resulted in sufficient grounds for the Federal General Prosecutor to initiate proceedings on May 7, 2007, against the firm Limbach Flugmotoren for its yet undetermined responsibility in the suspected violation of the Foreign Trade and Payments Act, and the Federal Office of Customs Investigation is tasked with carrying out the criminal investigation.

-- The subject of the investigation is the unauthorized delivery of 34 engines of the L550E type to Iran through a transfer from the Dutch firm Aviation Services International (ASI) in the period from March 2005 to October 2006, in which it is presumed that the firm Limbach was aware that the motors would be installed for military usage and in UAV's or drones.

-- After the conclusion of the investigation, we will inform you of the results that we find. Be advised, however, that the investigation may last for some months.

We look forward to continued outstanding cooperation in the area of export controls.

End text of German-language non-paper.

14. (U) Post will report additional German response septel.
TIMKEN JR